

# HEALTHSPRING, INC.

Issued their certificate of authority on 1/19/95

Changed the name from HealthNet HMO, Inc. to HealthSpring, Inc. on 9/28/01

## ADDRESS:

44 Vantage Way, Suite 300 - Nashville, TN 37228-1550 - (615) 291-7000

## WEBSITE ADDRESS:

[www.myhealthspring.com](http://www.myhealthspring.com)

### Service Area by County

**West Tennessee Area:** Humphreys, Stewart, and Wayne

**Middle Tennessee Area:** Bedford, Cannon, Cheatham, Coffee, Davidson, DeKalb, Dickson, Franklin, Hickman, Lawrence, Lewis, Macon, Marshall, Maury, Montgomery, Moore, Robertson, Rutherford, Smith, Sumner, Trousdale, Warren, Williamson, and Wilson

**East Tennessee Area:** NONE

The Independent Review Organization for this HMO is KPMG Peat Marwick.

### IRO APPEALS

	Number Requested	Resolved in favor of member	Resolved in favor of HMO
year ending 12/31/2001	0	0	0
year ending 12/31/2000	0	0	0
year ending 12/31/1999	0	0	0

### HealthSpring Customer Service

If you have a complaint about your HealthSpring HMO, please call 1-800-881-9466 or 615-291-7022

### HMO Greivance Statistics

#### NUMBER OF GRIEVANCES/INQUIRIES FOR 2001

of the grievances reported **75%** were resolved successfully  
of the grievances reported **25%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	292	0	0	0	0
2) claim payment/amount of payment	329	342	342	85	257
3) contract terms and conditions	3796	0	0	0	0
4) other	0	0	0	0	0
<b>TOTAL</b>	<b>4417</b>	<b>342</b>	<b>342</b>	<b>85</b>	<b>257</b>

#### NUMBER OF GRIEVANCES/INQUIRIES FOR 2000

of the grievances reported **75%** were resolved successfully  
of the grievances reported **25%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	1303	0	0	0	0
2) claim payment/amount of payment	11917	251	251	69	182
3) contract terms and conditions	514	0	0	0	0
4) other	0	0	0	0	0
<b>TOTAL</b>	<b>13734</b>	<b>251</b>	<b>251</b>	<b>69</b>	<b>182</b>

#### NUMBER OF GRIEVANCES/INQUIRIES FOR 1999

of the grievances reported **77%** were resolved successfully  
of the grievances reported **22%** were resolved adversely

<b>CATEGORY</b>	<b>Number of Inquiries to the HMO</b>	<b>Number of written grievances</b>	<b>Number of resolved grievances</b>	<b>Number of adverse decisions</b>	<b>Number of successful resolutions</b>
1) availability/delivery of service	2,506	0	0	0	0
2) claim payment/amount of payment	19,397	613	610	105	500
3) contract terms and conditions	26,612	78	77	44	33
4) other	4,024	8	5	3	0
<b>TOTAL</b>	<b>52,539</b>	<b>699</b>	<b>692</b>	<b>152</b>	<b>533</b>

#### **1998 GRIEVANCES/INQUIRIES**

of the grievances reported **86%** were resolved successfully  
of the grievances reported **14%** were resolved adversely

<b>CATEGORY</b>	<b>Number of Inquiries to the HMO</b>	<b>Number of written grievances</b>	<b>Number of resolved grievances</b>	<b>Number of adverse decisions</b>	<b>Number of successful resolutions</b>
1) availability/delivery of service	340	0	0	0	0
2) claim payment/amount of payment	747	169	169	26	143
3) contract terms and conditions	1762	638	638	88	550
4) other	56	12	12	1	11
<b>TOTAL</b>	<b>2905</b>	<b>819</b>	<b>819</b>	<b>115</b>	<b>704</b>

**Please Note:** an adverse decision indicates a decision against a member, not that the HMO was incorrect  
a succesful resolution means the grievance was resolved to the members satisfaction

#### **7 YEAR MEMBER ENROLLMENT STATISTICS**

<b>Year</b>	<b>Individual Members</b>	<b>Medicare members</b>	<b>Group members</b>	<b>Number groups</b>	<b>TOTAL members</b>	<b>Average Annual</b>
ending 12/31/01	4	17,471	22,947	250	40,418	37,949
ending 12/31/00	0	12,284	22,555	222	34,839	
ending 12/31/99	0	7,712	24,298	236	32,010	31,023
ending 12/31/98	0	5,542	24,290	281	29,832	29,832
ending 12/31/97	9	2,834	24,357	318	27,200	28,936
ending 12/31/96	0	0	12,638	226	12,638	9,657
ending 12/31/95	0	0	2,046	35	2,046	1,247
ending 12/31/94	0	0	0	0	0	0

### **HEALTHSPRING (FORMERLY HEALTH NET HMO)**

#### **FINANCIAL HIGHLIGHTS**

For the Year Ending  
December 31, 2002

ASSETS	51,095,890
LIABILITIES	44,050,258
TOTAL MEDICAL AND HOSPITAL EXPENSES	169,883,181
TOTAL ADMINISTRATIVE EXPENSES	33,244,795
UNCOVERED EXPENSES	14,394,581
PREMIUMS NON TN CARE	204,026,882
TOTAL CAPITAL AND SURPLUS	7,045,632
NET INCOME	568,300
RATIO OF MEDICAL EXPENSES TO PREMIUMS	83.27%
RATIO OF ADMINISTRATIVE EXPENSES TO PREMIUMS	16.29%